Ketchum

Ketchum 2021 Social Permission and Technology Study

October 2021

Superhero or antihero? Our conflicted relationship with technology

> While technology was pivotal in averting economic and social disaster during COVID-19, the pandemic shined an even brighter spotlight on our collective relationship with technology and the companies that create and power it.

Tech companies – and those who communicate on their behalf – can draw some valuable learnings from the successes and challenges the industry has faced since March 2020, particularly as technology becomes even more pervasive in every aspect of life.

Public perceptions about technology remain mostly positive, according to our most recent Social Permission and Technology survey, which was conducted in July 2021. However, there are clear signs of technology fatigue and burnout, with nearly half of our 1,000 participants (49%) saying they are worried the use of technology is affecting their mental state.

Focusing specifically on tech perceptions during COVID-19, most people recognize the indispensable role technology played during the pandemic: keeping the global economy from falling off a cliff; maintaining the flow of essential services and information; and enabling people to stay connected and entertained virtually during physical lockdowns. Yet 42% of survey respondents say they actually felt worse about technology's involvement in their lives during COVID-19, and 19% say technology made their level of burnout during the pandemic worse, not better.

What's more, despite technology's undeniably valuable impact during the pandemic, tech company reputations did not see a boost – with the survey results revealing a reputational chasm between positive attitudes toward technology versus increased skepticism and scrutiny of tech company business practices (from both enterprise purchasers and consumers). For example, three-quarters of the general public (74%) say they like having technology in their life but distrust big tech companies. Meanwhile, more than 8 in 10 enterprise IT B2B buyers (84%) say they are more likely to enter a business partnership with a tech company that is committed to ensuring ethical use of its products.

Looking beyond the reputational chasm, this year's survey also revealed other hidden but serious challenges for the tech industry, including: a fundamental gender problem that goes far beyond treatment of women in the workplace; a deepening digital divide that technology is actively fueling; and continuing concerns about data privacy and security (but with a surprising plot twist that will be welcome news for many tech companies).

> Tech companies need to actively address these problems and others, not just because it's smart business and the right thing to do, but because the public increasingly expects it – and if necessary is willing to have the government get involved more aggressively.

About Ketchum's Social Permission and Technology Study
Ketchum's Social Permission and Technology study takes a deep look at shifting consumer perceptions about technology – and how those perceptions relate to actual behaviors. This year's findings are based on an online survey of 2,000 respondents conducted between July 19 and July 23, 2021. Participants included 1,000 adults age 18+ in the United States, nationally representative of the U.S. population as it relates to age, gender, region and race/ethnicity, as well as 1,000 adults who qualify as business leaders and/or IT decision-makers. The margins of error for the consumer sample and the B2B sample are both +/- 3 percentage points at the 95% confidence level. Smaller subgroups will have larger margins of error.

Tech burnout beyond COVID-19

Technology burnout is rising and will likely remain a concern after the pandemic recedes
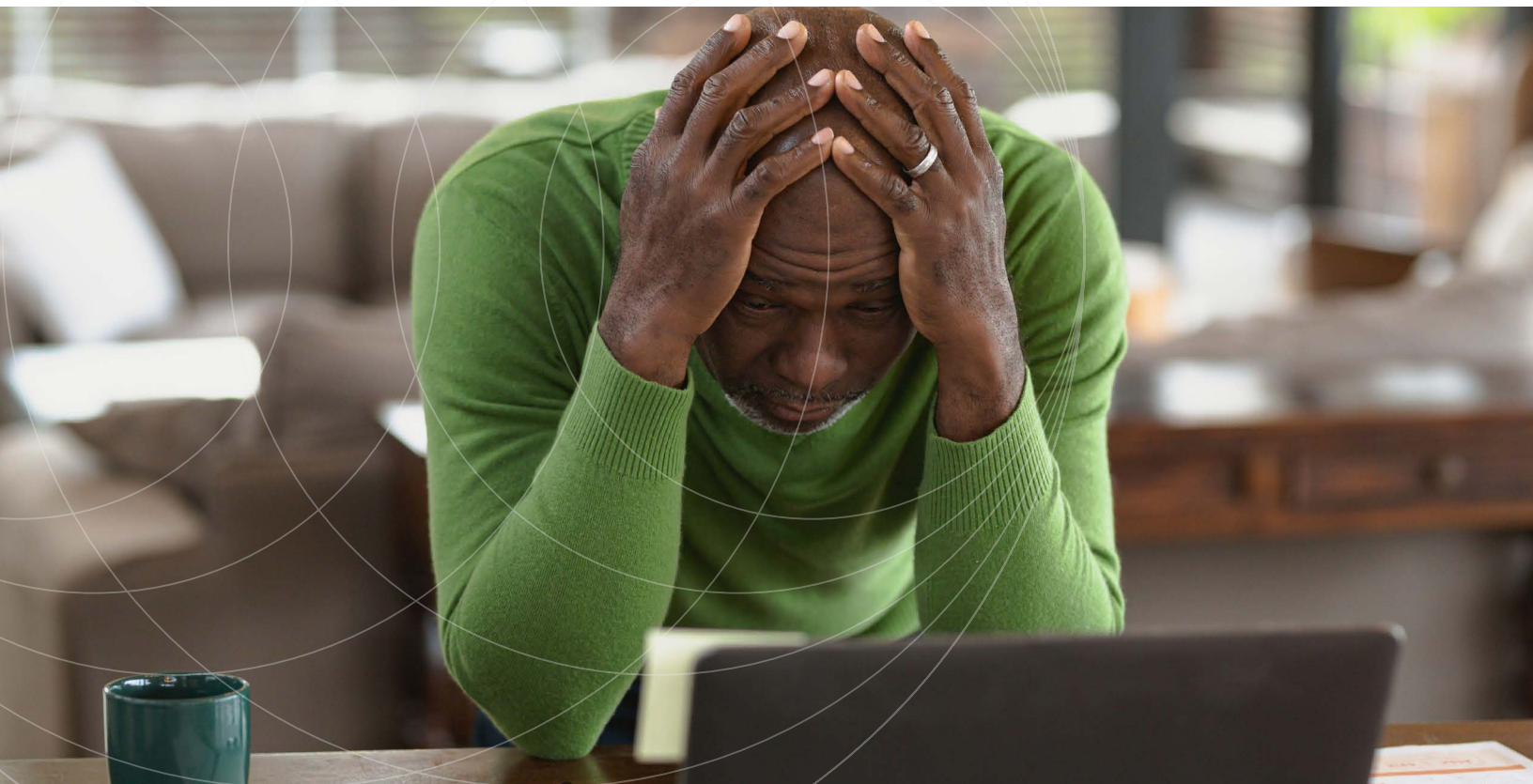
This third iteration of our study on social permission and technology took place at a time when COVID-19 vaccines had begun restoring a sense of normalcy across the country and around the world, but with a looming threat from the highly contagious Delta variant.

The survey results show that while perceptions about technology remain mostly positive, there are troubling signs of technology fatigue and burnout, with 49% of the general population and 57% of B2B leaders worrying that the use of technology is affecting their mental state. Even worse, the numbers are significantly higher for the population segment we call Techruptors (60%) – tech-forward early adopters who likely grew up with digital technology and tend to be leading indicators when it comes to tech trends and changing perceptions.

49%
of the general population worry that the use of technology is affecting their mental state.

60%
of Techruptors worry that the use of tech is affecting their mental state.
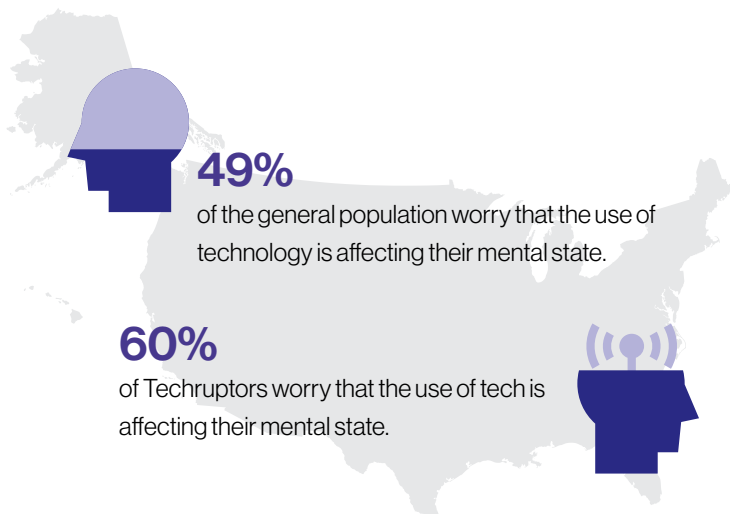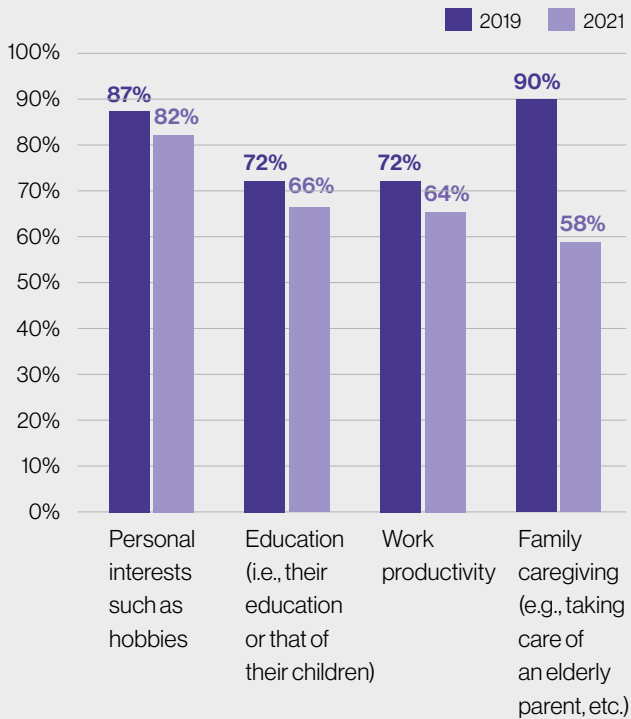
Given their mental health concerns, it makes sense that a majority of Techruptors (65%) and the general public (49%) actually wish they were born in a time when there was less technology.

Technology's ups and downs

Feelings about technology remain positive but are down from 2019

Although technology is still widely viewed as having a positive impact on many aspects of life, the positive feelings are down from our 2019 survey.

Legend: 2019 | 2021

- Personal interests such as hobbies: 87% / 82%
- Education (i.e., their education or that of their children): 72% / 66%
- Work productivity: 72% / 64%
- Family caregiving (e.g., taking care of an elderly parent, etc.): 90% / 58%

Areas where tech has a positive impact

Perceptions about technology tend to be less positive when people feel they have no choice but to use it, which was often the case during COVID-19. This phenomenon is most evident in the precipitous drop for family caregiving – from 90% in 2019 to only 58% in 2021. While technology played a priceless role in helping people care for and connect with their families during a time when physical contact was strictly prohibited, it was disdained as a poor substitute for the direct physical contact people craved.

Note however that fatigue and burnout can also be serious problems in situations where people willingly choose to embrace technology. According to the survey results,

> **64%** of gamers say they're worried about the use of technology impacting their mental state.

This is particularly striking since gamers are among tech's most passionate enthusiasts. However, it is not entirely surprising given that many medical and mental health experts have been expressing concerns about video game addiction and the impact of video gaming on mental health for quite a while.

It does raise a troubling question though. If tech-loving gamers can experience mental health problems from using technology purely for enjoyment, what are the implications for the tech industry – and society as a whole – as digital technology takes on an increasingly pervasive role in every aspect of how regular people live and work?

In Technology, B2B is really B2B2C

Why should B2B companies care about consumer perceptions? Because the B2C companies they sell to care.

The survey uncovered some focused insights for B2B companies, particularly with regard to what factors actually influence business buying decisions. Traditional reputation qualities – such as making high-quality products (88%) – rank highly in terms of what makes a business more likely to enter a business partnership with a tech company. However, there are other important factors as well, including:

86% Being a leader in the tech space

86% Being committed to data privacy

84% Being committed to ensuring ethical use of its products

Key factors that make a business or IT decision maker more likely to make a business purchase from a tech company include:
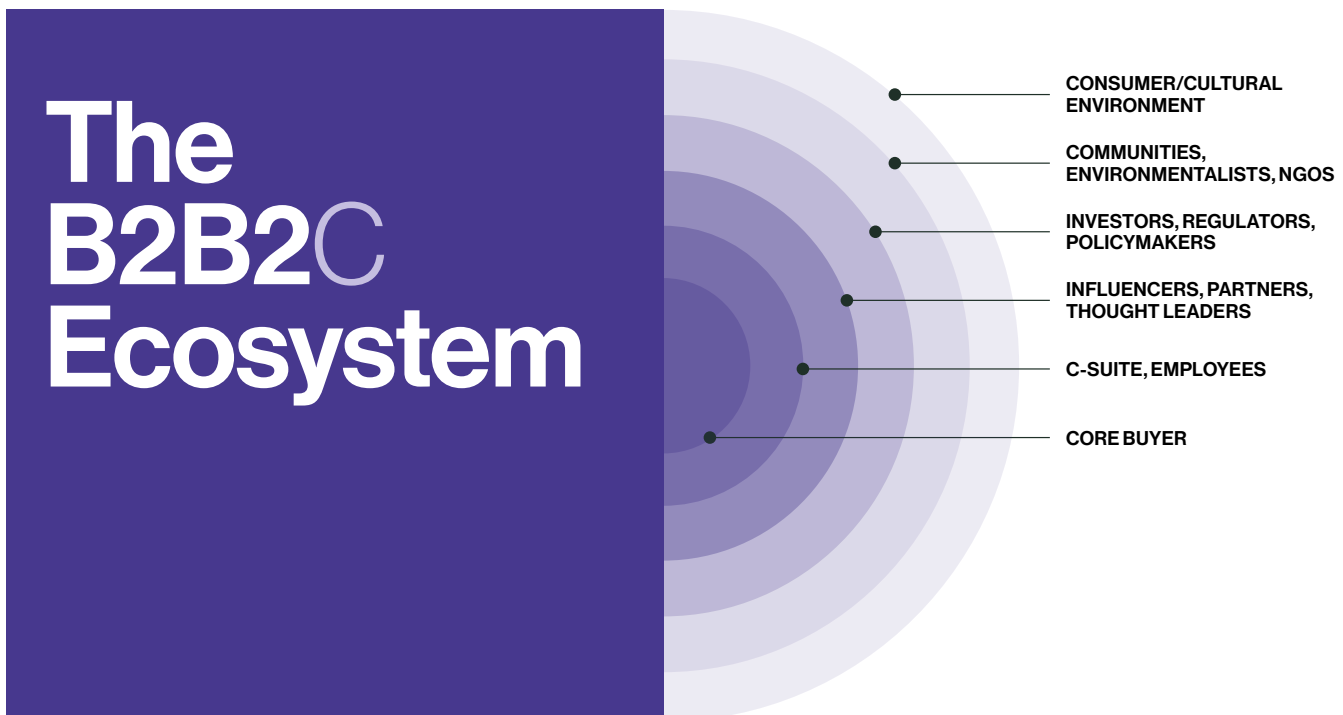
83% Eco-friendly product life cycles – e.g., device trade-ins, etc.

79% Uses consumer data to improve products/services

Conversely, key factors that would make a business or IT decision maker less likely to make a business purchase from a tech company include:

45% Involved in/experienced a client/consumer data breach

45% Has no standards in place for ethical data use

42% Has biased AI software

42% Sells consumer data for use in targeted advertising/marketing

These B2B-specific findings mirror many of the key issues identified by the general public and Techruptors, particularly with regard to data privacy and security, ethical use of products and data, and concerns about software bias.

However, in reality all of the survey findings – including those not directly focused on B2B – are still very relevant for B2B companies. Why? Because B2B companies operate within a broader, highly connected ecosystem that is greatly affected by consumer and public perceptions. Which means if you are a B2B decision-maker and your customers' customers care about something, you need to care about it too.

The B2B2C Ecosystem

CONSUMER/CULTURAL ENVIRONMENT

COMMUNITIES, ENVIRONMENTALISTS, NGOS

INVESTORS, REGULATORS, POLICYMAKERS

INFLUENCERS, PARTNERS, THOUGHT LEADERS

C-SUITE, EMPLOYEES

CORE BUYER

Tech's deep-rooted gender problem

The tech industry's gender issues go far beyond pay inequity and hostile work environments, with women tending to be much less enamored with technology than men.

The tech industry's issues with gender inequality and accusations of mistreatment of female employees have been widely publicized. However, those workplace issues might just be the most visible signs of a much deeper problem about women and their general feelings toward technology.

According to this year's survey results, women generally have less positive feelings than men about technology – with one-third of women (33%) saying they are not glad they were born at a time where we have a lot of technology, compared to just 1 in 5 men (20%) – and seem to be experiencing a higher level of tech fatigue and burnout.

That said, most women do have positive feelings about technology in various aspects of life, but the numbers tend to be significantly lower than for men– particularly in key areas such as education, work productivity, work/life balance, family caregiving, and dating.

Also, women are more likely than men to worry about their identity (63%, vs. 53% of men), contact information (49%, vs. 36% of men), and location data (44%, vs. 33% of men) being exposed in a data privacy/ security breach. And women (31%) are more likely than men (23%) to have turned off location tracking on their phone and/or mobile apps in the past 12 months. Many of women's hesitations about technology in their lives may be driven by safety concerns.

Women   Men

Education
(i.e., their own education and/or that of their children)
61%   VS.   73%

Work/life balance
58%   VS.   71%

Work productivity
57%   VS.   74%

Family caregiving
(e.g., taking care of an elderly parent, etc.)
51%   VS.   67%

Dating
38%   VS.   57%

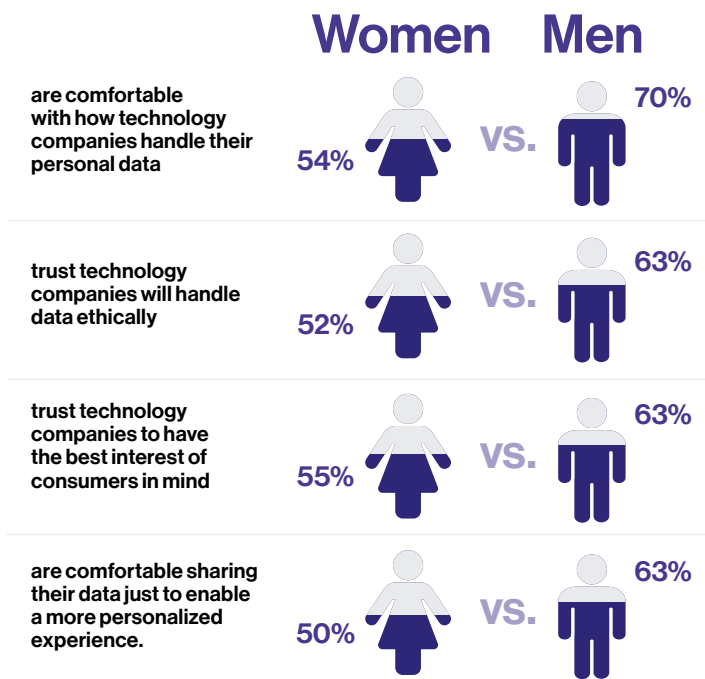**Areas where tech has a positive impact**

Women tend to be more cautious and distrusting on technology-related issues. For example, women are significantly less likely than men to say they:

Women   Men

are comfortable with how technology companies handle their personal data	54% VS. 70%
trust technology companies will handle data ethically	52% VS. 63%
trust technology companies to have the best interest of consumers in mind	55% VS. 63%
are comfortable sharing their data just to enable a more personalized experience.	50% VS. 63%

Areas where tech has a positive impact

It's important to note that women's relatively negative perceptions about technology are not just a byproduct of COVID-19. Yes, there are a few areas such as family caregiving where COVID-19 hit particularly hard – and where women tend to have greater responsibility and involvement than men. However, the signs of female burnout and other negative technology impacts had begun to reveal themselves long before the pandemic, whether it was research showing the harmful effects of social media on teenage girls, concerns about cyberstalking, a decline in real-world social connections, or even just disillusionment with dating apps.

In addition to the specific problems that technology creates for women, the relatively conflicted relationship that many women have with technology might be a classic chicken-and-egg conundrum – or perhaps a self-fulfilling prophecy.

Are women vastly underrepresented in the tech workplace because they are less enamored with technology?

Or are women less enamored with technology because so many tech products are conceived, developed and tested by men (and thus are subtly biased toward male needs and preferences)?

Although the underlying causes might be difficult to discern, the solution will almost certainly involve tech companies taking deliberate action to better understand and address women's unique needs and challenges when developing new products and services, including business tools. That, in turn, will require having many more women in positions of influence and decision-making authority within the tech workplace. According to the survey, 70% of Techruptors and 64% of the general public believe the tech industry has a problem with unconscious bias in the workplace. That needs to change – both in terms of perception and reality.

The Expanding Digital Divide

The digital divide is growing, with digital technology actively fueling social, political and economic divisions

In a digital world, access to technology is a fundamental necessity, not a luxury. This was vividly illustrated during COVID-19 when traditional physical channels were shut down and digital channels became the primary way – or in many cases, the only way – for obtaining life essentials such as food, healthcare and government/social services.

In this environment, people on the "wrong" side of the digital divide suffered disproportionately. Lacking adequate technology (or technology skills) to operate effectively in the virtual world, they had no choice but to put themselves in harm's way in the physical world – standing in line at the supermarket, interacting with strangers for essential services and basic necessities, and working jobs that put them in direct face-to-face contact with the virus. And in many cases the digital have-nots were cut off from essentials altogether, with government agencies and businesses only serving people through online channels (or perhaps by phone, but with endless hold times).

Most people recognize the tech industry's positive contributions to addressing the digital divide – especially during COVID-19. In fact, 76% of Techruptors, 82% of B2B leaders and 70% of the general public agree tech companies helped bridge the digital divide during the pandemic. Also, roughly three-quarters of Techruptors believe that over the past year technology had a positive impact on at-home/remote schooling (79%) and healthcare access (78%).

However, they expect tech companies to do more – and see them as responsible for many of today's biggest social and economic problems.

> For many respondents, the issue isn't just that tech companies aren't doing enough to address the problems they are creating; it's that in many cases they are actively and knowingly making things worse.

These days, our society is becoming increasingly divided and extreme in its viewpoints on virtually every dimension, from social and economic issues to politics, race and religion – not just income inequality and technology access. And digital technology is playing an active role in the process by enabling the spread of extremist views, conspiracy theories and misinformation – and by making it easy for people to filter out information that doesn't conform to and amplify their existing beliefs and fact base.

In particular, our survey results show that:

> **75%** of IT decision makers and **71%** of the general public believe social media has fueled the anti-vaccine movement
>
> **74%** of IT decision makers and **70%** of the public believe Big Tech has fueled political division
>
> **69%** of IT decision makers and **61%** of the public believe the tech industry is driving income inequality
>
> One in three people **(33%)** believe technology had a negative role in the 2020 U.S. presidential election
>
> One in four people **(26%)** believe technology has had a negative role in the social justice movement

Also, the survey results show that 57% of Techruptors and 50% of the public blame the tech industry for a lack of job opportunities, while 56% of Techruptors and 48% of the public blame the tech industry for the affordable housing crisis. What's more, 66% of Techruptors and 61% of the general public blame the tech industry for making inflation worse. Are they blaming the technology industry and its ripple effect on local economies, or are they blaming the technology itself? Either way, these numbers underscore the depth and breadth of the perception problem that tech companies are facing.

Managing the blame game

The benefits of taking the lead on positive change

People aren't just blaming the tech industry for many of the biggest problems that are happening in the world; they expect tech companies to solve those problems.
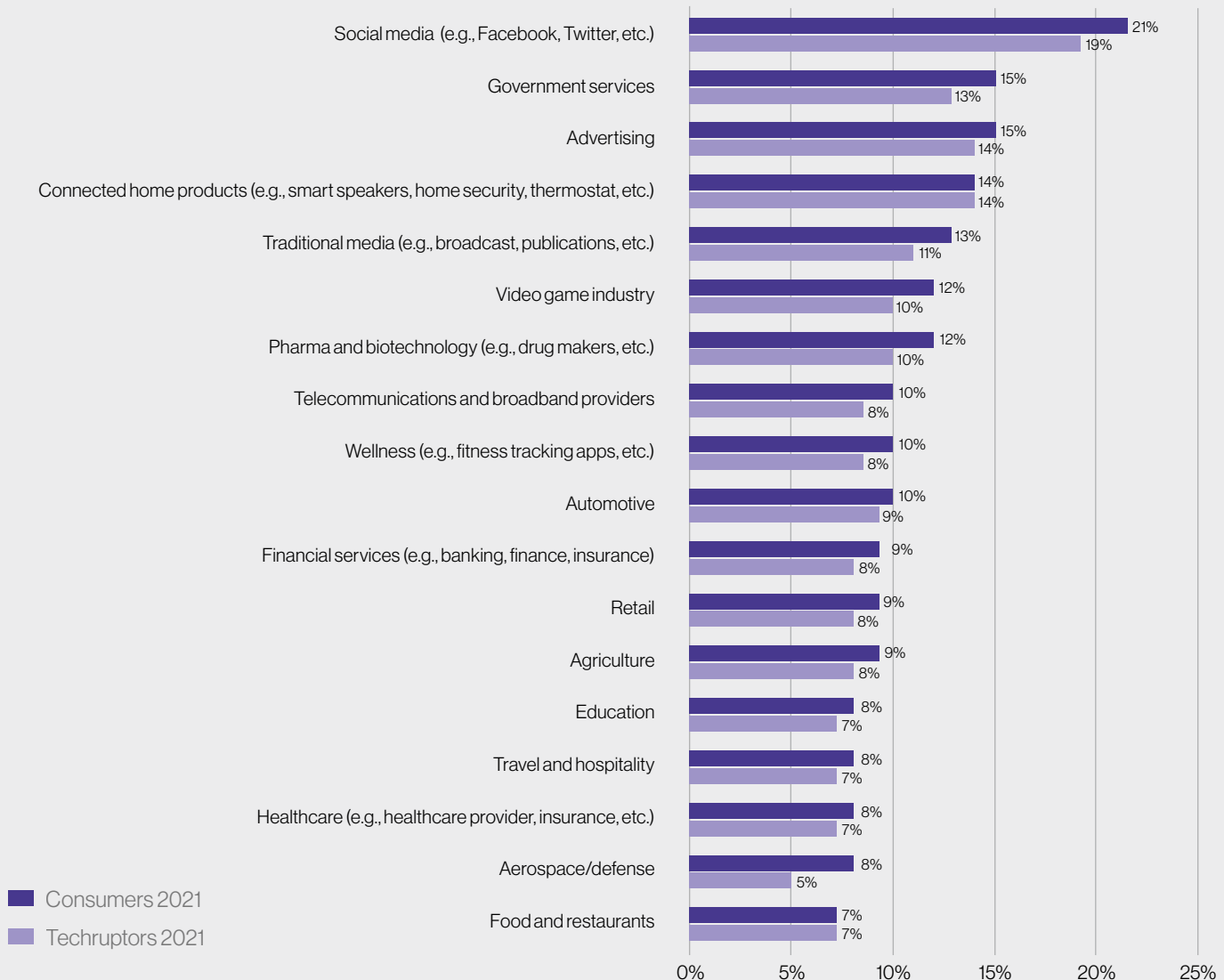
People tend to have a favorable view of technology but not necessarily technology companies. For example, 72% of B2B leaders and 74% of the general public say they like having technology in their life, but distrust big tech companies. Furthermore, when asked which entities are most responsible for ensuring tech is used ethically, 39% of our respondents say it's the companies that provide the underlying technology, while 23% say it's the companies that sell end products or services that use the technology.
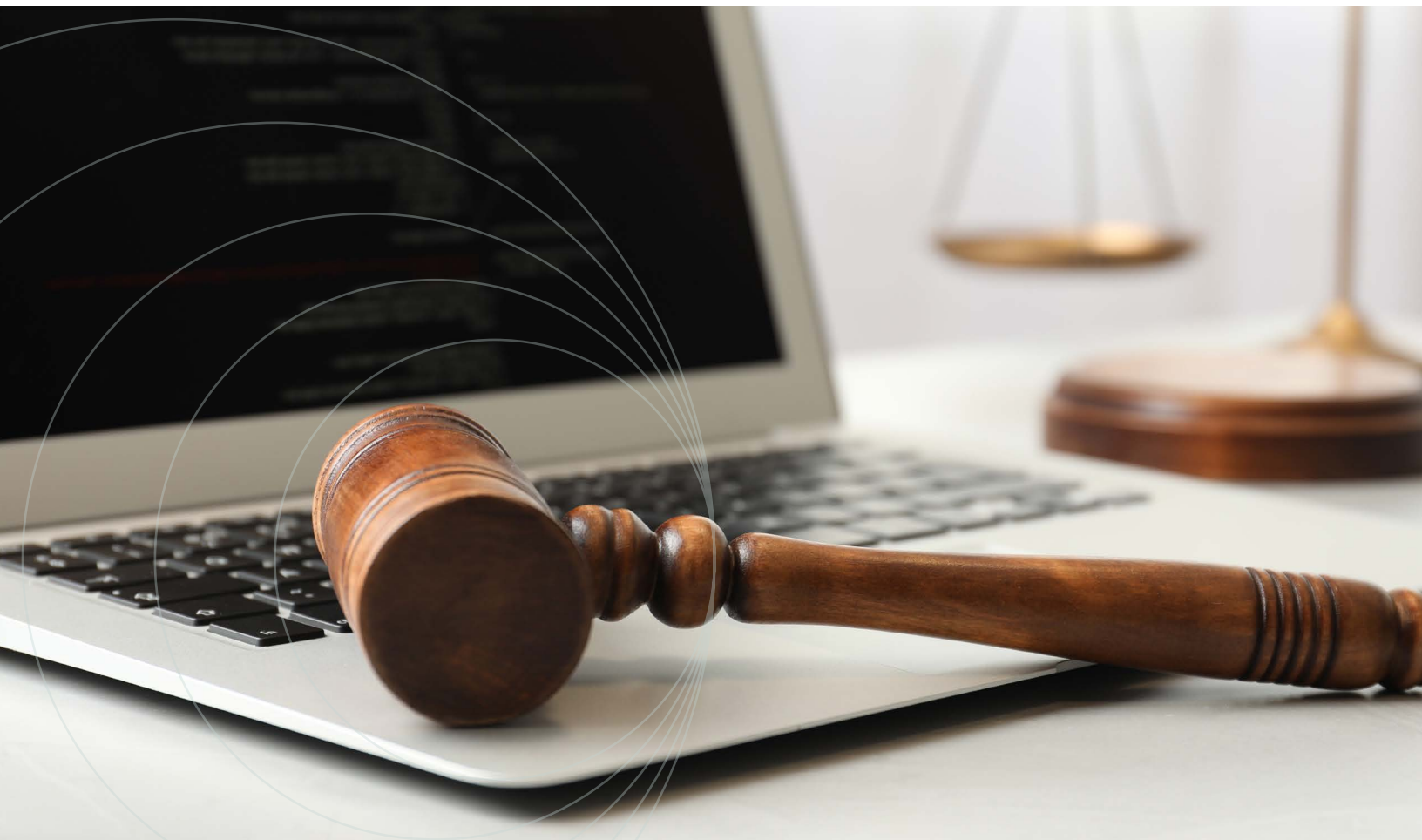
Closer to home for tech companies, over four-fifths of employed Techruptors (86%) think the company they work for has a responsibility to use data ethically.

> More than half of employed Techruptors (56%) say they have considered leaving their job because their company is not committed to the ethical use of technology.

According to the survey results, social media appears to be at the center of the storm for many respondents, with both the general public (21%) and Techruptors (19%) rating social media as the most untrustworthy industry.

Industries considered the most untrustworthy

Industry	Consumers 2021	Techruptors 2021
Social media (e.g., Facebook, Twitter, etc.)	21%	19%
Government services	15%	13%
Advertising	15%	14%
Connected home products (e.g., smart speakers, home security, thermostat, etc.)	14%	14%
Traditional media (e.g., broadcast, publications, etc.)	13%	11%
Video game industry	12%	10%
Pharma and biotechnology (e.g., drug makers, etc.)	12%	10%
Telecommunications and broadband providers	10%	8%
Wellness (e.g., fitness tracking apps, etc.)	10%	8%
Automotive	10%	9%
Financial services (e.g., banking, finance, insurance)	9%	8%
Retail	9%	8%
Agriculture	9%	8%
Education	8%	7%
Travel and hospitality	8%	7%
Healthcare (e.g., healthcare provider, insurance, etc.)	8%	7%
Aerospace/defense	8%	5%
Food and restaurants	7%	7%

The good news is that tech companies do seem to be getting recognition and credit for the positive steps they are taking. According to our survey, 75% of B2B leaders and 64% of the general public have noticed tech companies promoting STEM programs for students, and more than two-thirds of respondents (76% of B2B leaders and 61% of the general public) have noticed tech companies promoting STEM upskilling/reskilling programs for adults. Also, 68% of Techruptors and 61% of the general public say they are satisfied with tech companies' efforts to prevent bias in their products (e.g., artificial intelligence and facial recognition).

Why does managing the blame game matter?

Because perception can easily become reality. If people blame tech companies for problems that aren't being adequately addressed – even if tech companies aren't solely responsible – it can have drastic real-world consequences that tech companies are forced to live with.

For example:

85% of Techruptors and 81% of the general public agree the government needs to set tighter regulations for tech companies

66% of Techruptors and 60% of the general public believe large tech companies should be broken up

81% of the general public believes in the need for regulation around the development/use of AI/machine learning

88% of Techruptors and 84% of the general public believe there needs to be more legislation around data privacy
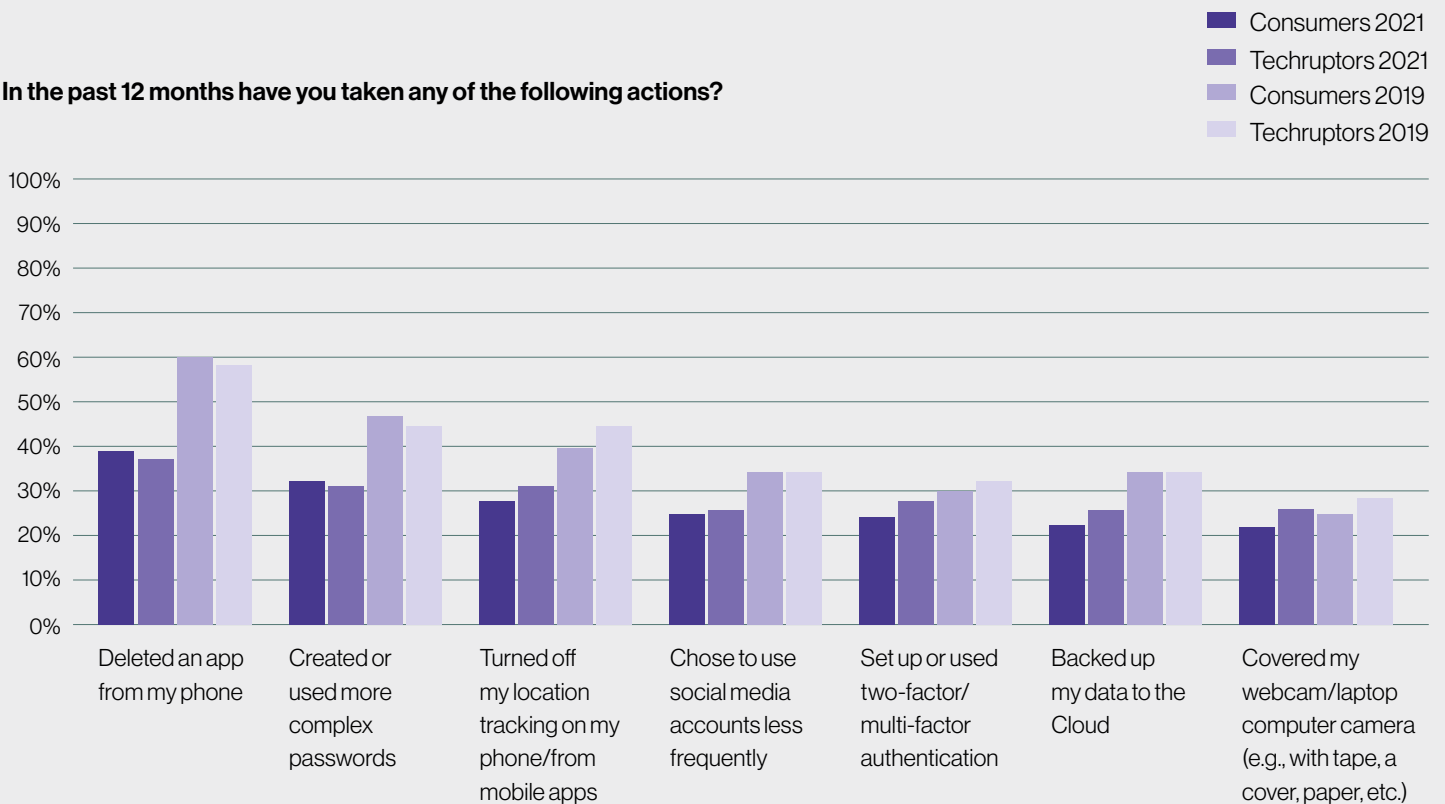
A plot twist on data privacy

Concerns about data privacy take an unexpected turn

Speaking of data privacy, this year's survey uncovered a surprising shift in the relationship between tech companies and privacy. Although data privacy remains an important issue, the percentage of respondents who expressed concern about it is down from 2019 – falling from 75% to 63% for Techruptors, and from 66% to 55% for the general public.

Meanwhile, Techruptors, who are presumably more tech-savvy than the general public, added fewer safety layers to their data over the past 12 months than they had in 2019. For example, only 31% created or used more complex passwords, down from 44% in 2019.

In the past 12 months have you taken any of the following actions?

Legend:
- Consumers 2021
- Techruptors 2021
- Consumers 2019
- Techruptors 2019

Action	Consumers 2021	Techruptors 2021	Consumers 2019	Techruptors 2019
Deleted an app from my phone	39%	37%	60%	58%
Created or used more complex passwords	32%	31%	47%	44%
Turned off my location tracking on my phone/from mobile apps	28%	31%	40%	44%
Chose to use social media accounts less frequently	25%	26%	34%	34%
Set up or used two-factor/multi-factor authentication	24%	28%	30%	32%
Backed up my data to the Cloud	22%	26%	34%	34%
Covered my webcam/laptop computer camera (e.g., with tape, a cover, paper, etc.)	22%	26%	25%	29%

These trends suggest that people, no matter how tech-savvy, are increasingly choosing convenience over privacy and security and might be getting numb to the associated risks or trade-offs. This is welcome news for many tech companies, especially the large number whose business models rely on monetizing customer data. However, it comes with a caveat.

Data privacy is the kind of issue that can quickly return to the spotlight if a major incident occurs, or if the topic otherwise finds its way back into the media echo chamber. To ensure that data privacy remains off the hotlist, it needs to be actively managed. In practical terms, that means tech companies need to continue doing the sorts of things they've been doing over the past year (which seem to be working well), including: funding programs to address data privacy challenges (or at least study them), and aggressively communicating to the public and media about their efforts, action, and progress – with a strong focus on the positive aspects of data sharing and analytics, such as improved personalization and convenience. Savvy companies with a strong story to tell may also be able to use data privacy as differentiator and competitive advantage, even if the issue remains more of a concern than a crisis.

Implications and path forward

Given the ongoing shifts in how consumers feel about technology, what can tech companies do to serve the market more effectively while avoiding potential pitfalls that could harm their short- and long-term business prospects? Here are several implications and actions to consider.

Earn permission to re-engage

Moments of personal change often create an impetus to re-evaluate one's relationship with brands. People become more open to trying new products, possibly ditching brands they've been loyal to for decades. The past 18 months have shaken the roots of society on a global scale, and it's likely many people will emerge having experienced more profound change than at any other time in their lives. From employees to consumers, and IT decision makers to regulators, people will likely gravitate toward companies that authentically acknowledge the seismic shifts in society, recognize that their stakeholder relationships have changed (or need to change), and take deliberate action to re-earn trust and permission in this new environment.

Commit to meaningful 'whole person' connections

Before the pandemic, we were talking about the need for employees to feel comfortable bringing their whole selves to work. Post-pandemic, we believe a similar mantra will apply far more broadly. Whether you're selling to a consumer or B2B audience, technology companies should understand that their customers care about more than spec sheets and performance. Moving forward, buyers will likely be more conscious of the impact their technology decisions have on themselves, their friends and family, their colleagues, and the world around them. From mental health to diversity to sustainability buyers will be evaluating your company against a far wider set of criteria than ever before, including factors that are emotional, not just practical. Now it's companies that need to adopt a more holistic approach to how they engage and interact with their audiences.

Emphasize choice

The study results suggest that the extreme pace of change during COVID-19, coupled with a sense that the change was forced upon us, damaged consumer perceptions about technology – even as adoption and usage soared. However, tech companies should not assume those negative shifts are necessarily permanent – or conversely, that they will magically fix themselves as the pandemic recedes. Instead, companies should recognize and celebrate the return of choice – even if those choices risk stepping down a bit from the artificial pace of change fueled by COVID-19. Tech companies that can demonstrate they're putting people back at the heart of digital transformation will have a far easier time building or re-building trust.

Don't treat your products as one-size-fits-all

Consider how different types of people are affected differently by your technology – men and women, for example, or people from varied socioeconomic backgrounds. Are you addressing the unique needs of the different communities your technology touches?

And are you considering the communication challenges posed by specific audiences? You might be marketing by audience, but are you also evaluating your technology's impact by audience – and then communicating with those audiences based on their unique sensitivities?

Keep a close eye on data privacy

It's too soon to tell if the drop in concern about privacy is a COVID-19 anomaly or a sign that the market has reached the tipping point and landed on the side of acceptance and compromise. Tech companies should continue to watch this issue closely, particularly the correlation between concern and action. In the meantime, from a communications standpoint, the best strategy is a clearly articulated and authentic privacy policy, backed by radical transparency in how it comes to life.

Turn the mirror inwards

Concerns about gender disparity, diversity, the worsening digital divide, and the tech industry's impact on the communities it serves are very real and increasingly urgent. And they will be solved only by bringing a diverse set of voices and experiences to the table.

The tech industry must take this opportunity to address its diversity challenges head-on at every level, from the front lines to the executive suite – and in the hearts and minds of the general public.

Many people blame the tech industry for contributing to today's biggest social, economic and political problems – and they expect tech companies to do their part in addressing those problems. In this heated environment, doing nothing is not an option. Whether through corrective action, improved communication, or ideally both, tech companies need to respect and address consumer expectations and perceptions because those perceptions – right or wrong – are a market reality.

Mind the intersection of technology use, health and wellness

As with many other industries, tech companies should expect increased scrutiny over the health impacts of their products and services. While tech has the potential for positive health impacts through offerings such as wearable health monitors, fitness apps, virtual medicine, and affordable DNA analysis, it also has significant potential for negative health impacts – both physical and mental. When it comes to managing perceptions about tech's health impacts, the age old adage applies: an ounce of prevention is worth a pound of cure.

From antihero to superhero

Many people now see technology as a necessary evil. Although they recognize it makes their lives better in many ways and can't live without it, they also recognize its downsides and are increasingly tech-weary and burned out – especially after more than a year of having the pandemic force technology upon them as a substitute for face-to-face interactions and normal life.

Tech companies should view this year's survey results as an early warning about how Techruptors and the general population might react long term as technology plays an ever-increasing role in their lives. Post-COVID-19, tech's positive trajectory seems sure to resume. However, tech fatigue and burnout were problems simmering below the surface long before the pandemic, and the backlash that increased during COVID-19 could be a valuable sneak peek into a future where technology is even more pervasive than it is today.

Viewed through this lens, the pandemic showed that people's capacity for using technology, while extremely high, is not infinite. It also showed that the pace and context of tech adoption matters – with rapid, forced adoption much more likely to trigger negative reactions from consumers, even when technology's overall impact is overwhelmingly positive.

Frustration with technology can be particularly high for service areas that traditionally involve human contact, such as customer service, healthcare and government services. In areas like these, companies need to be particularly mindful of tech's emotional impacts, instead of just focusing on efficiency, performance and logic.

In the months ahead, it seems likely that the technology industry will come under increasing scrutiny and regulatory pressure. Keeping a close pulse on consumer perceptions - and actively addressing them - will be vital to the industry's future.

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About Ketchum

The winner of 131 Cannes Lions and PRovoke's Global Creative Agency of the Year, Ketchum is the most creatively awarded firm in our industry. We're equal parts human-centered and business-focused, empathetic and intelligent. As a global communications consultancy, we combine the deep industry and specialty expertise of boutique firms with global reach to find unexpected connections that lead to lasting relationships and work that matters. For more information on Ketchum, a part of Omnicom Public Relations Group, visit **www.ketchum.com**.